NEC BRIEFING

3 July 1957

1170 SOLIKA PREPARETO

- I. Prayda has issued stern warning to disaldents in Soviet Communist party-according to undonfirmed press Moletov, Malenkov, Kaganovich and Shepilov are expected to be relieved from Presidium.
 - A. Two editorials in this morning's issue--echoed in other Moscow newspapers.
 - B. These editorials, while boasting of party unity, are apparently an attack on persons unknown who are weakening that unity, "no matter what post he occupies."
 - Pravds mays "The Party is not a debating society, it is a militant organization of working people....The standard of discipline is the same for all members of the Party, both the leaders and the rank-and-file."
 - C. One editorial praises Lomin's suppression of party factionalism in 1921, talks of necessity in the past for expulsions from party and Central Committee.
 - Specific mention of light vs. heavy industry controversy at time of Malenkov's demotion.
 - Also refers to "muddle in the question of building socialism" --- on which Molotov was censured in 1955.
- II. Editorial's down-the-line defense of Khrushchev-Bulgania policies suggests that continued contention over some of these policies may have led Khrushchev to move against his political opposition--if story of dismissals is true.
 - A. In any case, leadership is apparently calling abrupt halt to "discussion" -- Mao's "hundred flowers" are not to bloom

the steppe.
Approved For Release 200<u>2/01/30 : CIA-RDP79R00</u>890A000800090036-1

Approved For Release 2002/01/30 : CIA-RDP79R00890A000800090036-1

- B. We don't know how high in the Soviet gov't these arguments have gone, but tone of editorial suggests members of Central Committee are involved.
- C. Some evidence Central Committee met in last few days.
- III. Timing of new blast suggests that economic problems may be related.
 - A. Economic Reorganization (abolishing most ministries in favor of regional groupings) which formally went into effect 1 July, has run into criticism.
 - Prayda says "only a hopeless, politically blind person can fail to see the enormous progressive importance of these measures."
 - B. Final draft of Sixth Five Year Plan, which was to be out by mid-1957, has not appeared.
 - Editorial suggests heavy vs. light industry argument may still be an issue.